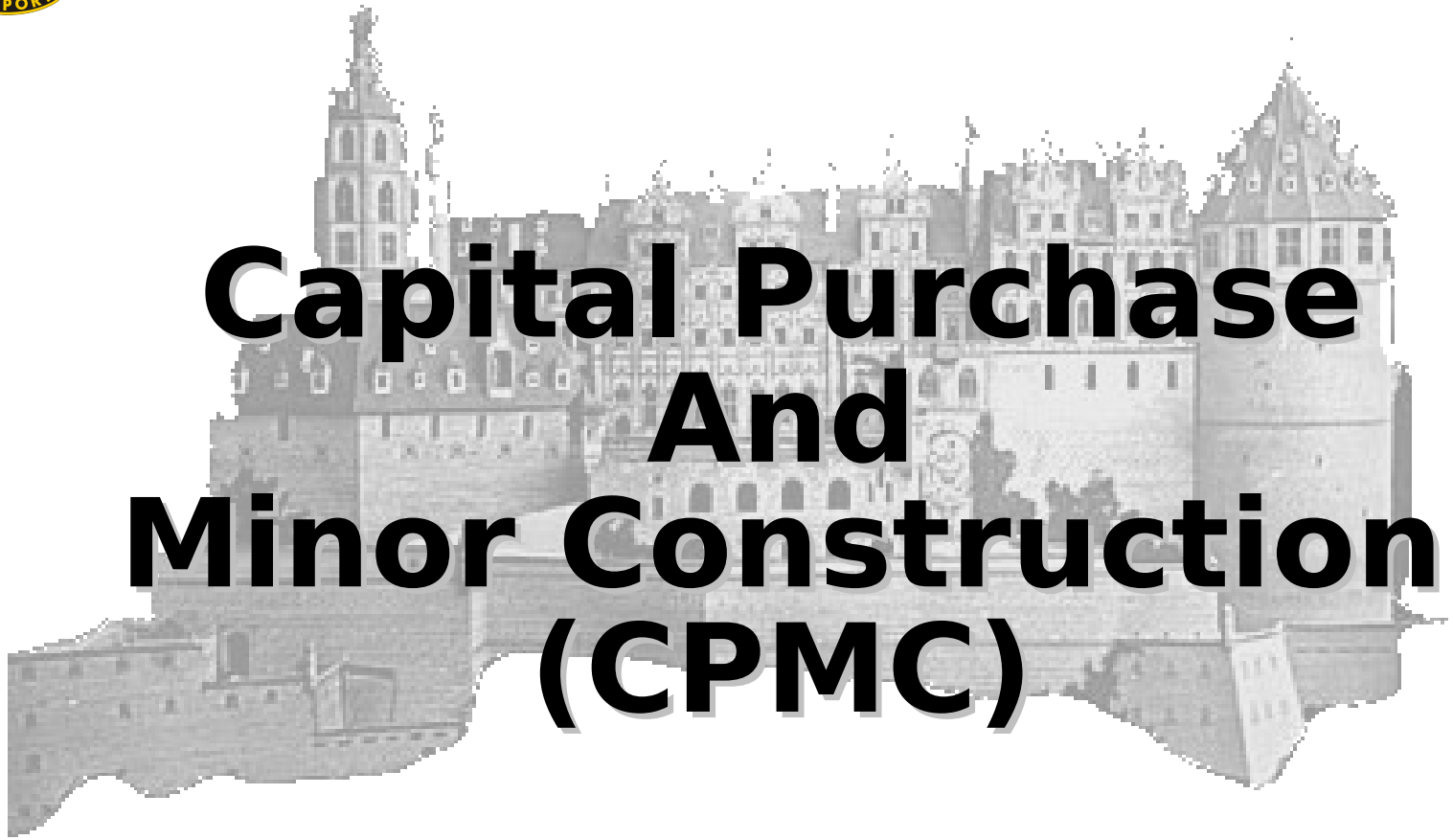
INSTALLATION MANAGEMENT AGENCY, EUROPE REGION



Capital Purchase And Minor Construction (CPMC)

Mr. Mike Heffernan
MWRD-FMG

What Qualifies as a Capital Purchase?

- **Items costing >= $1K, with useful life of at least 2 yrs**
  - **"Bulk" purchases don't qualify as CPMC**
  - **Each item must cost $ 1K**
- **Information Management Equipment (IME) purchases (computers, phones, etc.)**
  - **Requires a Information Management Acquisition Request (IMAR) be processed and approved.**
- **Maintenance and Repair of Equipment**
  - **Must extend useful life by at least 2 years**
  - **Cost $2,500 or more (less than to be expensed)**
- **Items requiring installation require a DPW work request DA 4283**

What Qualifies as Minor Construction?

- **M & R – Improvements that extend the useful life of facility**
  - **Repair wall, installation new carpeting, repair HIVAC, etc.**
- **New Work – adds to the facility structure - adds value**
  - **Room additions, extensions, etc.**
- **Minor Construction (New Work) Approval Requirements**
  - **Under $200K - IMA-E approval – DD1391 (>=$ 100K)**
  - **$200 - $500K- IMA-E approval – DD1391 to CFSC**
- **GLAC 650 (Credit GLAC) to be used to record labor costs for CPMC projects**
  - **Credit offsets labor charged in GLACS 601-624**

What Does Not Qualify as CPMC?

- **Maintenance and Repair expenditures that bring facility or equipment back to "ORGINAL LEVEL OF PERFORMANCE" or prevent item from deteriorating such as painting interior walls or tune-up of vehicle motor.**

- **Items that DO NOT have and individual acquisition cost of $1000 or more. Acquisition cost includes the cost of item or service plus any expenditures necessary to put the asset in use, such as freight, installation, etc.**

Categories of Minor Construction

- **New Work < $200K**
  - **Included in Part A of installation CPMC budget**
- **New Work $200 – $500K**
  - **Included in Part C of installation CPMC budget**
  - **Requires front page 1391**
- **Maintenance & Repair < $1M**
  - **Included in Part A of installation CPMC budget**
- **Maintenance & Repair > $1M**
  - **Included in Part D of installation CPMC budget**
  - **Requires front page 1391**

DA form 4283 Work Request

- **DA form 4283 work request to DPW ensures**
  - **Accurate cost estimate of the project**
  - **Documentation of availability/non-availability of APF**
- **DA form 4283 is required for:**
  - **Maintenance and Repair (M&R) Projects**
  - **New Work - Minor Construction Projects > = $100K**
- **DA form 4283 is recommended for:**
  - **Capital Purchases requiring installation**
  - **Sound/lighting systems, etc**

Plan Your Purchase

- **Identify your needs in advance**
  - **New program**
  - **Useful life of equipment**
  - **5 year APF/NAF plan**

- **Validate your ideas**
  - **Leisure Needs Survey - Marketing**
  - **Business Analysis – Business Branch**
  - **Local CPMC Review Panels**

Plan Your Purchase

- **Get good design and pricing information**
  - **NAF Contracting**
  - **DPW**
  - **IMA-E NAF Construction Branch**
  - **Provider's Internet sites & catalogs**
  - **IMA-E Business Branch**

Locally Funded CPMC

- **CPMC budget cannot exceed budgeted NIBD plus NIBD carry-over / shortfall**
- **Adjustments to projects must be made within total of ASG's approved budget**
- **CPMC execution cannot exceed actual NIBD plus NIBD carry-over / shortfall**
- **ASGs must monitor execution and NIBD, making adjustments when necessary**

CPMC Budgets

- **All FY 04 projects MUST be updated before the creation of new budget year in FMBS**
  - **“Active” projects will be carried over if funds are budgeted in out years**
  - **Projects status code must be changed if finished or canceled in FY04**
- **All prior year projects that are executed in FY 05 must be part of the FY 05 CPMC budget.**
- **FY 05 & 06 are created in detail, FY 07-09 in summary**

CPMC Entry into FMBS

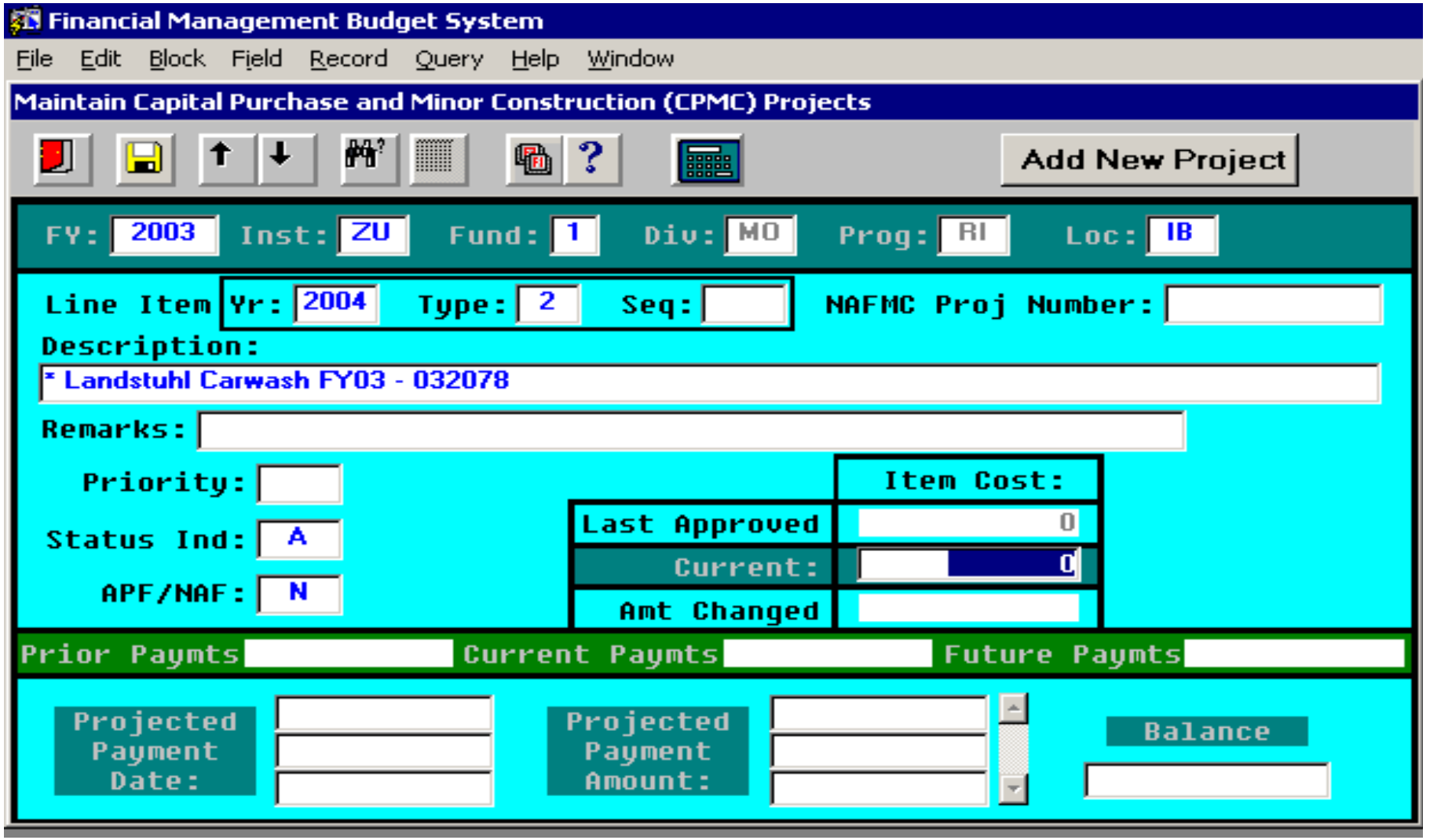
- **FY04 projects with no out-year budget will not carry over automatically, so it is recommended that you put an $$ in FY05 if you feel the project will not finish in FY04**
- **Projects not carried over must be reentered into FMBS**
  - **New project number will be generated**
  - **Old project number will be entered in description box (I.e., maintenance truck FY04-041001)**
- **Any FY04 project which is no longer valid must have it’s funding balance "Zeroed Out" and status code changes to "C" canceled**

CPMC Entry into FMBS

IMA-E One Fund Projects

- **Entered into FMBS as normal CPMC project**
- **First character in description box is "*"**
  - **Description of project follows (i.e., * Pinsetters)**
  - **Old project number is then added for Carry over projects (i.e., * Pinsetters - 0210001)**

FMBS Input


Financial Management Budget System
File Edit Block Field Record Query Help Window
Maintain Capital Purchase and Minor Construction (CPMC) Projects
Add New Project
FY: 2003 Inst: ZU Fund: 1 Div: MO Prog: RI Loc: IB
Line Item Yr: 2004 Type: 2 Seq:
NAFMC Proj Number:
Description:
* Landstuhl Carwash FY03 - 032078
Remarks:
Priority:
Status Ind: A
APF/NAF: N
Item Cost:
Last Approved 0
Current: 0
Amt Changed
Prior Paymts
Current Paymts
Future Paymts
Projected Payment Date:
Projected Payment Amount:
Balance

CPMC Budgets

- **Projects budgeted as one of 4 types in FMBS:**
  - **Type 1 (Part A):**
    - **Purchases meeting fixed asset criteria**
  - **Type 2 (Parts A and C)**
    - **Minor construction.**
  - **Type 3 (Part B):**
    - **Capital Purchases for NAFMC**
  - **Type 4 (Parts A and D):**
    - **Maintenance & Repair**
- **FMD assigns the type, FMBS will place in the appropriate section of CPMC budget**

CPMC Budgets – Backup Documents

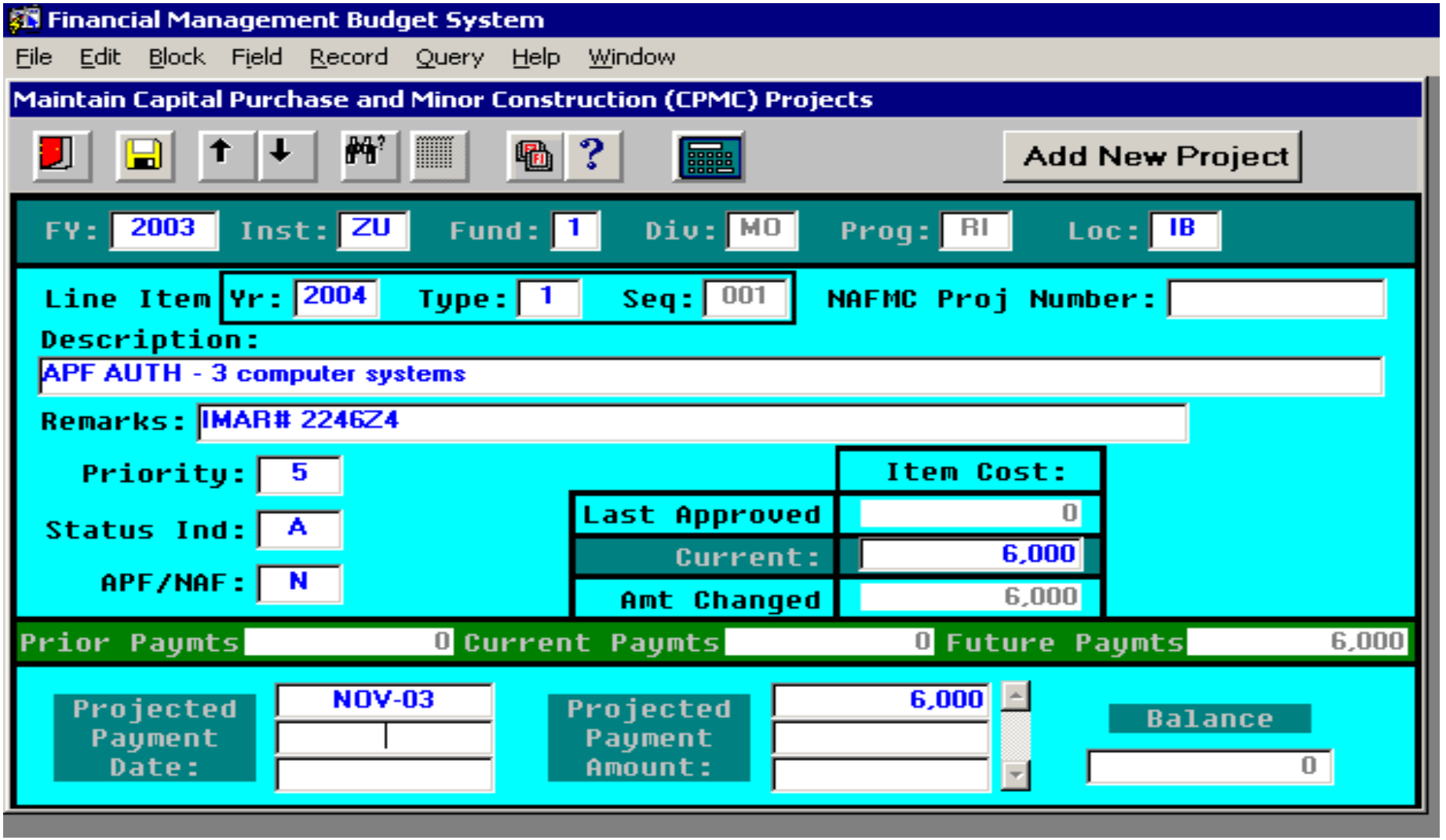
- **NAF CPMC Project Data Sheet, ROI, and form DA 4283 required for two categories of CPMC:**
  - **All Minor Construction Projects >= $ 100K**
  - **ASG or centrally funded**

- **NAF CPMC Project Data Sheet and form DA 4283**
  - **All Minor Construction less than $100 K**
  - **All Maintenance & Repair projects to facilities**

NAF Spent on APF Fixed Asset Requirements

- **New GLAC's were added in FY04 to account for NAF spent on APF Fixed Asset Items**
  - **181 - Costs of APF Authorized Fixed Asset**
  - **182 - Accumulated Depreciation APF Authorized Fixed Asset**
  - **860 – APF Authorized Fixed Asset Depreciation Expense**
- **This is a CPMC execution at the activity level**
  - **Under no circumstances will department codes "GL,GF,GH or GJ be used**
  - **If APF funding becomes available costs will be reversed and expensed to 742 in the appropriate department and APF/NAF indicator changed to "A"**
  - **Ensure items are in USA MWR MOA as Unfunded Requirement**

FMBS Input


Financial Management Budget System
File Edit Block Field Record Query Help Window
Maintain Capital Purchase and Minor Construction (CPMC) Projects
Add New Project
FY: 2003 Inst: ZU Fund: 1 Div: MO Prog: RI Loc: IB
Line Item Yr: 2004 Type: 1 Seq: 001 NAFMC Proj Number:
Description:
APF AUTH - 3 computer systems
Remarks: IMAR# 2246Z4
Priority: 5
Status Ind: A
APF/NAF: N
Item Cost:
Last Approved 0
Current: 6,000
Amt Changed 6,000
Prior Paymts 0 Current Paymts 0 Future Paymts 6,000
Projected Payment Date: NOV-03
Projected Payment Amount: 6,000
Balance
0

Fixed Asset General Ledger Accounting Codes

GLAC	Fixed Assets	GLAC	Fixed Assets Depreciation
161	Buildings	162	Accumulated Depreciation Buildings
163	Furniture, Fixtures, and Equipment	164	Accumulated Depreciation, Furniture, Fixtures, and Equipment
165	Vehicles, Aircraft, and Boats	166	Accumulated Depreciation Vehicles, Aircraft, and Boats
167	Breeding Livestock	168	Accumulated Depreciation Breeding Livestock
169	Building Improvements	170	Accumulated Depreciation Building Improvements
171	Land Improvements	172	Accumulated Depreciation Land Improvements
173	Maintenance and Repair of Facilities	174	Accumulated Depreciation Maintenance and Repair of Facilities
175	Government Titled Buildings and Improvements	176	Accumulated Depreciation Government Titled Buildings and Improvements
177	Other Government Titled Fixed Assets	178	Accumulated Depreciation Other Government Titled Fixed Assets
179	Minor Construction in Progress		
180	Fixed Assets in Transit		
181	APF Authorized Fixed Asset	182	Accumulated Depreciation – APF Authorized Fixed Asset
'=	ON MONTHLY SCHEDULE "A"		
187	Capital Commitments	=	ON MONTHLY SCHEDULE 187 - Shows what is contracted
196	Local Payments for NAFMC		Payments made by the ASG's towards a NAF Major Construction (NAFMC) Project.

Check Your Schedules

- **Ensure copies of contracts and MIPR's are sent your payables clerk to put in GLAC 187 Capital Commitments**
- **Check your Schedule A, NAFMC and 187 schedules every month and have any errors corrected**
  - **Has correct CPMC number**
  - **Has correct program and location code**
  - **Has been put in correct GLAC (181 APF authorized?)**
  - **Has been put on correct schedule (non-CPMC vs. CPMC)**
  - **Has correct $$$ amounts**